

WABASH TELLS PLAN OF REORGANIZATION

Provides Raising \$30,380,000 by Assessment of 20 Per Cent. on Stock.

\$14,000,000 IN NEW BONDS

Annual Fixed Charges Expected to Be Cut Down by \$1,968,547.

The Wabash reorganization plan, which is now being presented at a joint hearing in St. Louis to the public service commissions of Missouri and other States through which it runs, was made public yesterday. It provides that \$30,380,000 new cash be raised from an assessment of 20 per cent. on the common and preferred stock and the sale of \$14,000,000 new general and refunding mortgage bonds.

Upon the issue of new securities, the capitalization of the company will be cut down from \$219,793,577 to \$209,601,000. Annual fixed charges will be reduced from \$2,792,470 to a decrease of \$1,968,547. A cash fund of \$5,500,000 for the purchase of new equipment and for working capital will be on hand.

The scaling down of fixed charges has been accomplished through the issuance of a new security, adjustment mortgage bonds, 50 year bonds, on which interest is to be non-cumulative. On these bonds the interest of course is not a charge unless earned.

The scaling down has been secured through an exchange of the present first refunding and extension 4s for the new adjustment bonds par for par. This will take \$28,600,000 of the new bonds. All of the authorized \$45,000,000 of the new bonds will be distributed in the reorganization.

New securities to be issued other than the adjustment bonds and the general and refunding bonds are \$38,016,000 new common stock. Additional adjustment bonds and common stock to be issued, though not to exceed \$2,000,000 of each, to pay off unsecured claims.

The present security holders will fare as follows in the reorganization: Holders of the \$25,000,000 first refunding and extension 4s will get 100 per cent. in new adjustment bonds and 10 per cent. in the same bonds on account of matured coupons. This will include the July 1, 1914, coupon, but not that of January 1, 1912, following receivership. Other bondholders remain undisturbed in the reorganization.

Holders of unsecured claims will receive 50 per cent. in adjustment bonds and 50 per cent. in common stock.

Preferred stock holders upon payment of 20 per cent. assessment will get 3 per cent. in adjustment bonds and 17 per cent. in new common stock. Holders of common stock on payment of assessment will receive 5 per cent. in adjustment bonds and 88 per cent. in common stock.

The plan if approved by the public service commissions concerned will be underwritten by Kuhn, Loeb & Co. It is considered that the earning power of the property is quite sufficient to meet the reduced fixed charges. The new general and refunding mortgage of an authorized amount of \$10,000,000 will provide among other things for financing a comprehensive plan of expenditures over the next five years. Expenses of reorganization, allowances and counsel fees amount to \$2,108,000 and will be paid out of the new cash to be raised.

OBJECTIONS TO PLAN.

Commissioners Told That New York Stockholders Disapprove.

St. Louis, May 21.—Winslow S. Pierce, chairman of the bondholders' reorganization committee of the Wabash Railroad, was sharply rebuffed today by O. P. Thompson, chairman of the Illinois Public Utilities Commission, in the hearing for an approval of the reorganization plan by the combined public service commissions of Missouri, Illinois, Michigan and Ohio.

He was asked whether any large number of stockholders had approved the plan and replied that his information was that George Gould and James Speyer and Attorneys Chaborn and Shores of New York, counsel for the Missouri Pacific and Iron Mountain, had approved it. Mr. Thompson indicated by his questions that he considered the plan of reorganization too expensive. Objections to the proposed plan were offered by Attorneys J. A. Hodge of New York, and Elijah N. Zolne of Chicago, representing James Pollock of New York.

The objections delayed but did not thwart the work of the reorganizers, each objection being met by Charles E. John M. Atkinson, chairman of the Missouri Public Service Commission, who presided.

HEAR R. I. ORGANIZATION PLAN.

Committees Consider Project, Said to Call for Assessment.

The protective committees of the bondholders and stockholders of the Rock Island held a joint meeting yesterday at which the plan of the stockholders' committee for the reorganization of the property was submitted to the representatives of the bondholders.

A member of the bondholders' committee said later that he and his associates probably will give some time to the consideration of the plan before making it public. A meeting of the bondholders' committee probably will be held Monday.

It was rumored that the plan provides for an assessment of 15 per cent. upon both the stock and bonds of the Rock Island. Such an assessment, it is said, would raise a little more than \$1,000,000. It has been estimated that the road would need about \$20,000,000 to carry out the plans for a reorganization.

RESERVE BANKERS MEET TO-DAY

Organization Committee Secretary Expected to Be Present.

When the members of groups 2 and 3 of the Federal Reserve Bank of New York, comprising mostly up-State bankers, meet at the Clearing House to-day the organization committee of the Federal reserve system, it is expected, will be represented.

M. C. Elliott, secretary of the organization committee, arrived in New York yesterday and is here, where he is considered that he would attend the meeting to explain any misunderstandings regarding the method of nominating and voting for candidates for the board of the New York bank.

Brokers' Examination Postponed.

A. S. Gilbert, assignee for the Consolidated Stock Exchange, firm of Shoppert & Hotchkiss, which was suspended three weeks, announced yesterday that the examination of the firm members and certain officials of the Exchange and Metals National Bank in regard to loans secured by securities as collateral had been postponed owing to the assignee's inability to obtain necessary figures since the assignment.

COSDEN HEADS RIKER COMPANY

Representative of Whelan Interests Elected to Drug Concern's Board.

Several changes were effected in the directorate of the Riker & Hegan Drug Company at its annual meeting yesterday in New York City. George J. Whelan, who is generally credited with having the controlling interest in the United Cigar Stores Company of America and the United Cigar Stores Company, purchased control of the Riker & Hegan Drug Company.

The following were elected to represent Mr. Whelan's interests: H. S. Collins, R. H. Wastley, Carl Schneider, D. Herman, L. Rubenoff, S. L. Marcus and W. R. Dreyfus. The retiring directors are R. H. Hathbone, W. D. Davis, William A. Barstow, Frederick H. Pouch, William C. Bolton and H. D. Hutchins.

These officers were elected: A. H. Cosden, president; H. S. Collins and John S. Alley, vice-presidents; and R. B. Wastley, treasurer. Mr. Cosden, who formerly was vice-president, and in assuming the presidency succeeds John H. Flagler, who becomes chairman of the board of directors. Mr. Collins formerly was first vice-president of the United Cigar Stores Company.

CHESAPEAKE & OHIO DIVIDEND.

Directors Maintain Quarterly Rate of 1 Per Cent.

The directors of the Chesapeake and Ohio Railroad Company met yesterday and declared the regular quarterly dividend of 1 per cent. The action of the directors had been awaited with great interest as there was much doubt whether they would decide to maintain the rate at this time, in view of the conditions in the recent arrangement of financing.

According to the arrangement the road will turn back earnings into property development and maintenance to the extent of \$17,000,000 over a period of five years.

"GREAT OAK" JOHNSON

TO GET A \$6,000 JOB

Ex-Fire Commissioner Slated for Public Service Chief of Transportation.

Ex-Fire Commissioner Joseph Johnson will probably be appointed chief of the Bureau of Transportation of the Public Service Commission on Tuesday, when the commission will meet for the first time with Robert Colgate Wood in the room lately occupied by John E. Rustie. The salary will be \$6,000 or possibly \$7,000 a year.

In the expectation that Commissioner Wood would be sworn in today the appointment of Mr. Johnson was to come before the board this afternoon. But Mr. Wood sent word that he would not qualify until Monday.

Mr. Johnson was campaign manager for Edward E. McCall, chairman of the Public Service Commission, in last year's Mayoralty campaign. He was named early this year that he was going to devote himself to reviving the Order of Acorns, of which he was Great Oak, and to helpful criticism of the administration of Mayor Mitchell. Recently the plan for his appointment to the Public Service job was paved by changing the transportation engineer's title to that of chief of the bureau of transportation.

The plan if approved by the public service commissions concerned will be underwritten by Kuhn, Loeb & Co. It is considered that the earning power of the property is quite sufficient to meet the reduced fixed charges. The new general and refunding mortgage of an authorized amount of \$10,000,000 will provide among other things for financing a comprehensive plan of expenditures over the next five years. Expenses of reorganization, allowances and counsel fees amount to \$2,108,000 and will be paid out of the new cash to be raised.

OBJECTIONS TO PLAN.

Commissioners Told That New York Stockholders Disapprove.

St. Louis, May 21.—Winslow S. Pierce, chairman of the bondholders' reorganization committee of the Wabash Railroad, was sharply rebuffed today by O. P. Thompson, chairman of the Illinois Public Utilities Commission, in the hearing for an approval of the reorganization plan by the combined public service commissions of Missouri, Illinois, Michigan and Ohio.

He was asked whether any large number of stockholders had approved the plan and replied that his information was that George Gould and James Speyer and Attorneys Chaborn and Shores of New York, counsel for the Missouri Pacific and Iron Mountain, had approved it. Mr. Thompson indicated by his questions that he considered the plan of reorganization too expensive. Objections to the proposed plan were offered by Attorneys J. A. Hodge of New York, and Elijah N. Zolne of Chicago, representing James Pollock of New York.

The objections delayed but did not thwart the work of the reorganizers, each objection being met by Charles E. John M. Atkinson, chairman of the Missouri Public Service Commission, who presided.

HEAR R. I. ORGANIZATION PLAN.

Committees Consider Project, Said to Call for Assessment.

The protective committees of the bondholders and stockholders of the Rock Island held a joint meeting yesterday at which the plan of the stockholders' committee for the reorganization of the property was submitted to the representatives of the bondholders.

A member of the bondholders' committee said later that he and his associates probably will give some time to the consideration of the plan before making it public. A meeting of the bondholders' committee probably will be held Monday.

It was rumored that the plan provides for an assessment of 15 per cent. upon both the stock and bonds of the Rock Island. Such an assessment, it is said, would raise a little more than \$1,000,000. It has been estimated that the road would need about \$20,000,000 to carry out the plans for a reorganization.

RESERVE BANKERS MEET TO-DAY

Organization Committee Secretary Expected to Be Present.

When the members of groups 2 and 3 of the Federal Reserve Bank of New York, comprising mostly up-State bankers, meet at the Clearing House to-day the organization committee of the Federal reserve system, it is expected, will be represented.

RECEIVER FOR FLORIDA ROAD.

Apalachicola Northern Defaulted on Bond Interest.

PENNSACOLA, Fla., May 21.—Asserting that the company had defaulted in interest coupons on its bonds of \$2,000,000 the Illinois State Trust Company brought suit to-day in the United States Court against the Apalachicola Northern Railroad, petitioning for a foreclosure of a mortgage and for the appointment of a receiver. The railroad company failed to make a payment of interest on its bonds of \$2,000,000 on May 15, 1914.

The Illinois company purchased the bonds of the railroad in 1905 and they are to run for twenty-five years, with annual interest of 6 per cent. The road had been met promptly until September of last year, when the company defaulted. The road is owned by Chicago and St. Louis capitalists.

NEW HAVEN RAILROAD INCREASES \$34,000

Operating Expenses Decline \$240,000 in April, Report to Directors Shows.

\$45,000,000 NOTES PAID

Mr. Elliott Renews Promise to Cooperate With Commerce Commission.

At the close of the regular monthly meeting of the directors of the New York, New Haven and Hartford Railroad Company yesterday Howard Elliott, the president, made the following statement:

"In addition to a large amount of routine business the following important matters were received and acted upon:

"A report of the officers as to the payment of the \$45,000,000 in notes maturing May 15 was submitted. Substantially all of the notes have been presented and paid out of the proceeds of the \$50,000,000 of notes recently sold.

"There were submitted and approved the final drafts of the papers to be exchanged between the New York, New Haven and Hartford Railroad Company and the United States and the company in order to carry out the adjustment which was approved by the stockholders on April 21.

"There was submitted and approved a letter written by the chairman of the board to the Governor of Massachusetts, requesting him to ask the Legislature of that Commonwealth to pass the laws necessary before the company could obtain a franchise to operate in the State.

"A report of the actual results for the month of April showed that operating revenue decreased \$208,000 and operating expenses \$240,000, while the net revenue increased \$34,000.

"The decrease in expenses was all in conducting transportation and general expenses. The net revenue in maintenance expenses of \$36,000."

Concerning the pending inquiry before the Interstate Commerce Commission Mr. Elliott said that the position of the company was explained fully in his letter to the stockholders April 11. That letter said that the company had been investigating some of the subjects under inquiry before the commission and that the information in the company's possession had been given to representatives of the commission with the request that they report promptly.

"As the commission has these matters in hand the company feels that it should make no public statements until the commission makes its report."

Mr. Elliott said that the company will continue to cooperate with the commission in furnishing any information within its possession.

All directors of the company were present except John L. Hillard, George P. Baker, Arthur T. Hadley and James L. Richards.

DAIRY PRODUCTS MARKET.

BUTTER.—There was no material change in the market for butter yesterday. Quality is showing to good advantage when it is full grade, and has been cleaned up by low prices and is out of the way. Butter is fresh, and is in good demand. The market has reached bottom, while others expect it to be lower. Proceeds of the sale of butter, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 2680, 2681, 2682, 2683, 2684, 2685, 2686, 2687, 2688, 2689, 2690, 2691, 2692, 2693, 2694, 2695, 2696, 2697, 2698, 2699, 2700, 2701, 2702, 2703, 2704, 2705, 2706, 2707, 2708, 2709, 2710, 2711, 2712, 2713, 2714, 2715, 2716, 2717, 2718, 2719, 2720, 2721, 2722, 2723, 2724, 2725, 2726, 2727, 2728, 2729, 2730, 2731, 2732, 2733, 2734, 2735, 2736, 2737, 2738, 2739, 2740, 2741, 2742, 2743, 2744, 2745, 2746, 2747, 2748, 2749, 2750, 2751, 2752, 2753, 2754, 2755, 2756, 2757, 2758, 2759, 2760, 2761, 2762, 2763, 2764, 2765, 2766, 2767, 2768, 2769, 2770, 2771, 2772, 2773, 2774, 2775, 2776, 2777, 2778, 2779, 2780, 2781, 2782, 2783, 2784, 2785, 2786, 2787, 2788, 2789, 2790, 2791, 2792, 2793, 2794, 2795, 2796, 2797, 2798, 2799, 2800, 2801, 2802, 2803, 2804, 2805, 2806, 2807, 2808, 2809, 2810, 2811, 2812, 2813, 2814, 2815, 2816, 2817, 2818, 2819, 2820, 2821, 2822, 2823, 2824, 2825, 2826, 2827, 2828, 2829, 2830, 2831, 2832, 2833, 2834, 2835, 2836, 2837, 2838, 2839, 2840, 2841, 2842, 2843, 2844, 2845, 2846, 2847, 2848, 2849, 2850, 2851, 2852, 2853, 2854, 2855, 2856, 2857, 2858, 2859, 2860, 2861, 2862, 2863, 2864, 2865, 2866, 2867, 2868, 2869, 2870, 2871, 2872, 2873, 2874, 2875, 2876, 2877, 2878, 2879, 2880, 2881, 2882, 2883, 2884, 2885, 2886, 2887, 2888, 2889, 2890, 2891, 2892, 2893, 2894, 2895, 2896, 2897, 2898, 2899, 2900, 2901, 2902, 2903, 2904, 2905, 2906, 2907, 2908, 2909, 2910, 2911, 2912, 2913, 2914, 2915, 2916, 2917, 2918, 2919, 2920, 2921, 2922, 2923, 2924, 2925, 2926, 2927, 2928, 2929, 2930, 2931, 2932, 2933, 2934, 2935, 2936, 2937, 2938, 2939, 2940, 2941, 2942, 2943, 2944, 2945, 2946, 2947, 2948, 2949, 2950, 2951, 2952, 2953, 2954, 2955, 2956, 2957, 2958, 2959, 2960, 2961, 2962, 296